

LINKAGE FEES

The Housing Commission administers the Affordable Housing Fund, which is made up of two primary activities and revenue sources: The Housing Trust Fund, funded by the Linkage Fee and the Inclusionary Housing Program, funded by the Inclusionary Fee. The presentation and discussion with the Citizens Revenue Review & Economic Competitiveness Commission scheduled for April 22, 2010 will focus on the Linkage Fee.

In October 2009, the Commission was tasked by the Housing Authority/City Council to have an updated nexus study completed to test the validity and feasibility of the Linkage Fee in today's declining economy. Also, a second study was to be prepared that analyzed alternate funding for affordable housing and best practices used in the provision of affordable housing for jurisdictions similar to San Diego. Finally, the Housing Commission was directed to meet with the Citizens Revenue Review & Economic Competitiveness Commission to provide information on the linkage fee.

The Linkage Fee, a commercial development fee created by the San Diego City Council on April 16, 1990, may be used for loans, grants, or indirect assistance to produce and maintain affordable units and related facilities. The linkage fee was reduced by fifty percent in 1996 and has not been increased since that time.

Housing Commission staff will present a brief historical summary on the Housing Commission, its programs and funding sources, including the Linkage Fee.